

VMR-VRO GUIDELINE - PAYMENT ISSUES

Checklist Reference - None

A few companies or types of companies have presented scenarios that can cause issues in 1099 reporting.

Scenario 1: Copier companies in North Dakota do not normally hold the lease on leased equipment. The manufacturer normally holds these leases and is paid directly. This issue for the database is should the manufacturer be set up under the local company that sold the equipment? No, the manufacturer should be set up independently of the local company because of 1099 reporting services. The local company may be reportable but the manufacturer may not and since the manufacturer is being paid directly the reporting would and should be made under the manufacturer's name and FEIN.

Scenario 2: A property management company that handles multiple properties but does not own the properties being managed (i.e. Goldmark). In this instance each individual property needs to be set up so that the 1099 reporting is correct.

Scenario 3: A company requests all payments to be made to a finance company. To guarantee the 1099 reporting is handled correctly a new vendor for the finance company is not set up. Under the existing company another address with the finance companies name and address is to be set up.

Exceptions: There will be exceptions to this guideline because there may be multiple scenarios.

Feel free to contact the Vendor Registry Office at spovendor@nd.gov for help or guidance in entering or updating vendor information. The Vendor Registry Office will research the information, take the appropriate action and respond to your inquiry in a timely manner.